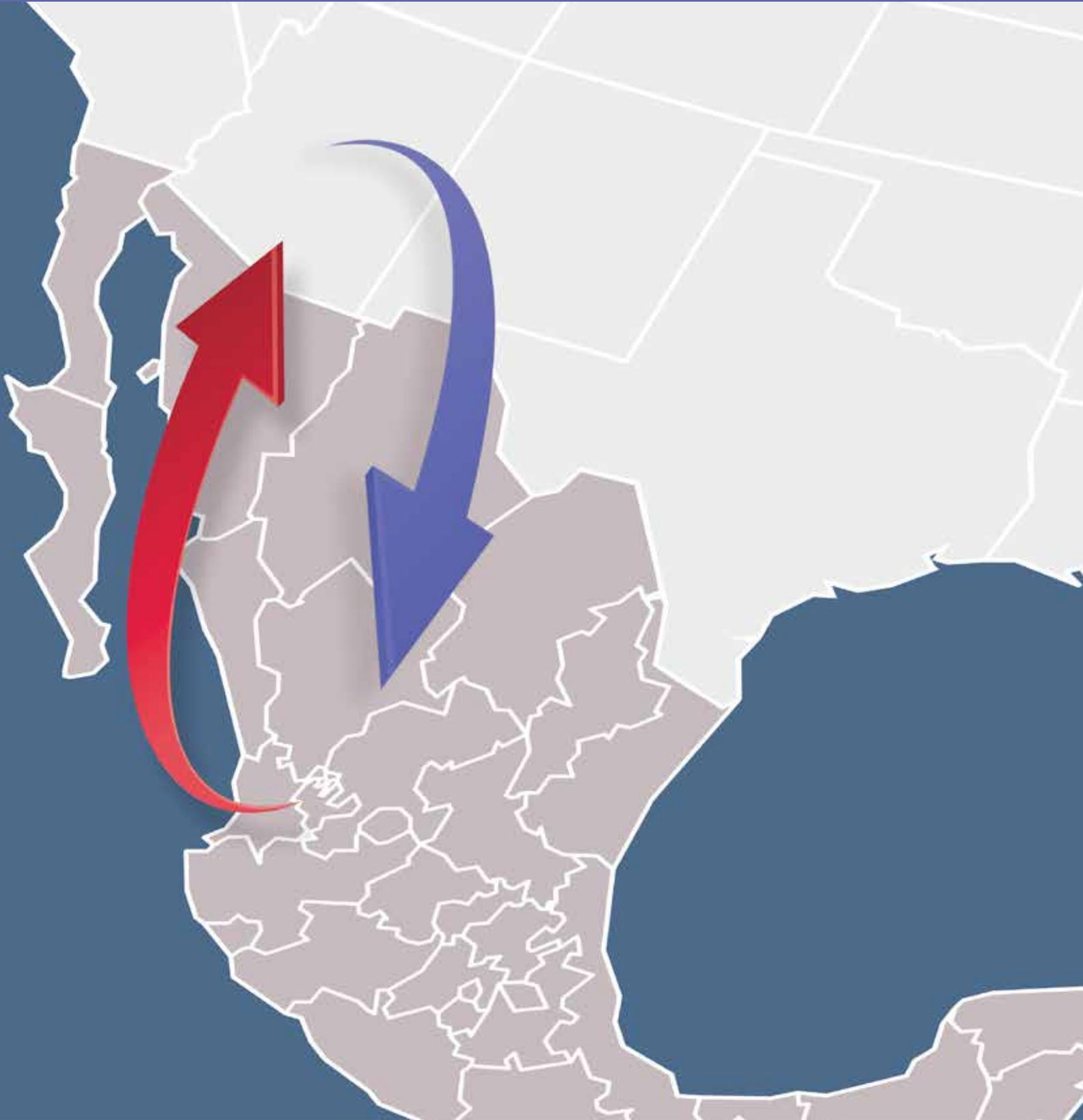


ARIZONA & MEXICO

Town Hall - April 27, 2018 - Hermosillo, Sonora



ARIZONA & MEXICO TOWN HALL

HOTEL LUCERNA, HERMOSILLO, SONORA, MEXICO

APRIL 27, 2018

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ARIZONA & MEXICO TOWN HALL

FINAL RECOMMENDATIONS

APRIL 27, 2018

Introduction

In response to a recommendation from the 108th Arizona Town Hall on Arizona and Mexico and requests from participants of the 2017 Arizona & Mexico Town Hall, citizens from Sonora and Arizona gathered together for a Community Town Hall in Hermosillo, Mexico. The goal: to continue to forge relationships and create solutions for maximizing the economic potential of the region.

Participants used the Arizona Town Hall process to create the following consensus report of their discussions and recommendations for action. The discussions and reports occurred in both English and Spanish.

CREATING A STRONGER ECONOMIC MEGA-REGION

The relationship between Sonora and Arizona is of crucial importance largely due to our geographic proximity. There are industries that benefit both of us, including tourism and manufacturing and there are ways that we can strengthen this economic relationship through sharing our excellent and highly educated workforce and the other resources both states contribute. We also share a mutual trust that exists from being long-term neighbors and how we share our current strong economic status.

There are many emerging commercial trends that influence our mega-region. Sonora and Arizona already work together with industries where products are manufactured in both states. Services can also be shared, such as medical tourism. Technology is important, but represents only part of the equation of economic strength. It is important to realize that social responsibility needs to be recognized at the same time.

We can show the world that we are a safe mega-region. We share a past, present and a future together. We realize that issues at the governmental level do not always reflect how people in our states view our situation. Working together is an advantage that represents economic strength.

IMPACT OF GOVERNMENT POLICIES

Government has a large influence on the relationship between Sonora and Arizona. These influences can be both positive and negative for large companies as well as small businesses. Discussions involving uncertainty on the NAFTA agreement have already affected trade between the U.S. and Mexico in a negative way. Fear of going to either country is affecting trade and travel in both countries, which is exacerbated by negative comments made on social media. A social media quote from the federal government can immediately impact those who travel.

Immigration restrictions affect our human resources and industry. The border reflects a unique perspective that is not shared by the federal government. Certain restrictions have a direct and negative impact on our businesses and do not reflect an efficient way to do business.

Government could help with raising the limits of education taken in either country without special permits so that students from both Sonora and Arizona can benefit from learning experiences. These experiences can be strongly demonstrated through shared cultural and artistic events. Tax incentives can be also offered to promote industry.

Making travel easier between Sonora and Arizona would benefit both states economically. Obtaining travel permits can involve significant time and effort. Shortening this process would help consumers in both states. Infrastructure such as the Skybridge can help international trade between our states and strengthens our relationship.

Government can help through investing in infrastructure. This can take place through bilingual signage, roads, the unified cargo inspection at the Mariposa Port of Entry and border security.

Our Sonoran and Arizonan governors share a strong relationship, which has significantly helped our relationship. We need to communicate and share the positive stories of what we are accomplishing so that the world knows. We need to own our own story of success.

WORKING TOGETHER AS TRADING PARTNERS

Sonora and Arizona have had significant success by working jointly on several initiatives. These include the joint inspection program, and the Skybridge. The Arizona-Mexico Commission is a successful initiative because it is a long-standing state organization that influences multiple industries.

Additional communication of successful initiatives would help public recognition of what has been achieved. These successful initiatives include: tourism promotion initiatives for the mega-region, the sister cities programs, the Arizona Department of Transportation (ADOT) safety initiatives for truck drivers and joint inspection initiatives.

Potential initiatives could include promoting organizations to increase participation with people from different industries, more innovative ideas to solve regional problems, and market initiatives, such as students from Mexico paying in-country tuition while studying in the United States and United States students studying in Mexico. Practical educational workshops on how to get certain things done would benefit all. Above all, people need to know where to obtain the information on what existing resources are available to move forward on certain initiatives. These resources need to be user-friendly so that more people can use them. Binders that are readily available with information would benefit all municipalities, regardless of size.

There are several resources that already exist whose public communication would benefit our mega-region. The International Economic Development Council (IEDC) Data Standards provides resources for investment attraction and site selectors. The Destination Marketing International Association (DMAI) provides guidelines to build tourism through a “bidding book” that can serve to attract events and conferences. These are available in binders and online. The Arizona Corporation Commission also helps with information that can be used by industry on how to do business in different areas. There is also an online booklet that educates United States residents how to buy property in Mexico and Mexican residents on how to buy property in the United States to ensure that regulations are followed for property ownership. There are workshops that assist real estate professionals to understand regulations for both countries.

Requiring Spanish language and English language learning would help our students' bilingualism, which would bring benefits for them both personally and professionally. Universities could promote pride in the mega-region together with opportunities for exchange that would help students reach out more for learning experiences. Helping our businesses provide good customer service for both our U.S. and Mexican consumers would help increase business.

Meetings such as those convened by Arizona Town Hall and the Arizona-Mexico Commission can change the conversation with the public and provide the venue to create new relationships and connections that make things happen. We have seen this happen with areas such as sports and tourism. Understanding of our regional relationship is essential for the public to comprehend how we are linked.

Promotion of ways in which we are working together and can further work together as a mega-region can create stories, which show how joint initiatives make us stronger. We can make a difference.

DEVELOPING THE ARIZONA-SONORAN MEGA-REGION FOR INTERNATIONAL COMMERCE

The Arizona-Sonora mega-region shares many prospects as a regional hub for international commerce.

Tourism in every facet possible is a huge driver for the mega-region given the diversity of activities and climate. The high quality of universities provides superlative learning opportunities for our young people since human resources represent one of our more crucial resources. Strategic industries such as aerospace, manufacturing, agriculture, mining, automobiles and more offer prospects.

Sonora, in particular, has significant prospects in the energy sector. There is a development of 13 solar parks in Sonora, which creates an economic competitive advantage for the region.

The export experience can be improved for businesses in both states. An improved experience could increase the level of trade. We need to promote our mega-region as a hub for international business and develop our region through infrastructure that can handle various means of transportation, including air, road and sea since we are in competition with other regions.

Prospects exist with ocean ports. The Guaymas port can be made more accessible and open for capacity. There are prospects in Rocky Point as a cruise port, which will help with tourism.

However, we need to responsibly manage our resources and balance our priorities. In particular, we need to look at an appropriate transportation infrastructure. Improved logistics are needed. We need to review our banking processes and issues.

Public-private partnerships represent a means to achieve our goals. It is important to think creatively to pursue investors that have the financial resources that will help streamline prospects that are achievable with sufficient financing.

Building the brand of the Sonora-Arizona mega-region will help bring us global recognition that enables our relationship to be stronger and more sustainable. We should not take this relationship for granted. It is important that our strong relationship continue through the years, notwithstanding changes in political and governmental leaders.

SONORA AND ARIZONA – A MODEL FOR THE WORLD

Sonora and Arizona share so many facets within their strong relationship. Our states have been working together for a long time at different levels at our locations. Continuing to create agreements serves as a model for others by designing a system that can be replicated by others. This model also allows us to lobby governments for positive change. It can serve as well to increase reciprocity with other states that can benefit with increased commerce. We all want the best for both of our countries.

The Arizona-Mexico Commission is one of the relationship-building models that can be shared with other states as a template for success. Locating offices of the same organization in both states helps promote activities binationally as well as concentrating the focus of communication. While we have longstanding relationships within organizations, we realize that relationships are built on a person-to-person basis.

Sister cities and student-exchange programs serve as the human side of exchanges in communication so that people understand cultures on either side of the border. We share so many things in common, including families, tribes and businesses who inhabit both sides of the border.

Promoting the use of a language that people are comfortable using helps increase use of services within a diverse mega-region and helps build relationships through mutual communication.

Activities such as Sonora Fest have been replicated in other cities such as Bisbee to share information, products and services that are offered by our diverse businesses.

We need to focus on these successful and long-standing activities to share our history of economic development and needed social responsibility. What we do can go further to promote worldwide understanding through our model for mutual appreciation and respect. We have a platform on which others can build.

ACTIONS

At the conclusion of the Town Hall, participants committed to actions they would take as a result of the discussions. Each participant completed a card beginning with either the statement “I will...” or, in Spanish, “Voy a...” Participants retained the cards with their individual commitments. Some of those that were shared are listed below.

I WILL...

- Be an ambassador for the positive economic relationship and share real world examples of the benefits of leveraging available resources on both sides of the border with those with whom I do business.
- Enhance tourism marketing to spotlight opportunities for binational vacations; encourage Arizonans to learn about and visit Sonora, and further understanding about tourism and commercial opportunities in Sonora.
- Do my best to promote discussion/presentation of relevant energy topics within the framework of the Arizona-Mexico Commission Summits.

- Continue to promote our collaboration and efforts with regards to tourism, trade, commerce, education and art between our state, Sonora, and Arizona so that the relationship of friendship will continue growing and strengthen within the board events and committees of which I am a part.
- Share current agreements and collaboration plans amongst both states as well as with the rest of Mexico and our federal government.
- Educate the Board of Supervisors about the need for the relationship between Arizona and Mexico and how they can participate to build this relationship.
- Continue to work with the Hispanic Chamber and Mexican businesses in Sonora toward developing a “Sonoran Plaza” in Sierra Vista.
- Use social media platforms to make everyone aware of the key economic facts.
- Crear cultura entre mis amigos y familiares de la importancia de la megaregion, en beneficio de todor, para krear mas oportunidades de desarrollo para nvestros hijos.

Create a culture among my friends and family of the importance of the megaregion, for the benefit of all, to create more development opportunities for children.

- Difundir el modelo de la megaregion de la Comision Sonora-Arizona como un ejemplo de relacion transfronteriza.

Disseminate the megaregion model of the Sonora-Arizona Commission as an example of a cross-border relationship. Promote the interaction of Arizonans living in Sonora to improve their overall experience.

- Follow Arizona Town Hall activities and participate on a regular basis.
- Spread the word of the opportunities around this project.
- Empezar a apoyarme en la red de personas que pertenecen a estas inicia tiyas de la megaregion para ayudar a las empresas a hacer negocios en ambos lados.

Start to lean on the network of people who belong to these initiatives of the megaregion to help companies to do business on both sides.

- Recopilar informacion sobre intercambios de estudio de ingles y espanol como segundo idioma en la megaregion de una forma estructurada (APP).

Compile information about the study of English and Spanish as a second language in the megaregion in a structured form (APP).

- Share megaregion video with clients and friends.
- Promote events like Arizona Town Hall.
- Help organize Third Annual Arizona-Mexico Town Hall in 2019.
- Voy a compaitir id informacion cen difgrentes camdras, y clusters de tecngogid asi como seguiri en contact con uo gente qui cenocido pard buscar activamente beneficio ai vas posibillias dis of crecimiento de va megaregion.

I will share information about different fields, and clusters of technology as well as keep in touch with people who are well-known for actively seeking benefits from the growth of megaregion.

- Primeramente difundir esta alianza para poder ser cada vez mas personas interesadas a el crecimiento de Sonora y Arizona.

First, spread this alliance so there are more people interested in the growth of Sonora and Arizona.

- Promote the positive benefits of the model relationships of both states and encourage more Sonorans to attend the Arizona-Sonora Town Hall in 2019.
- Commit to join an AMC committee.
- Report to friends and colleagues of opportunities for Arizona businesses to work in Sonora.
- Visit my elected officials to express needs and successes in the megaregion.
- Share the report with all my city council members and others in the community such as chambers, universities, and colleges interested in economic development and border issues.
- Seek out a broader range of Sonorans and Arizonans with whom to engage regarding my work objectives and to collaborate with them on a broader range of projects.
- Work on the idea of writing bi-lingual children's books on produce and products generated in the Arizona/Sonora megaregion showing maps to educate children and the public. The best example is the story of "Tommy the Tomato" born in Sonora, traveling to the U.S. and repackaged in Nogales arriving at a Phoenix grocery store.
- Educate on the importance of the relationship between Arizona and Sonora. I will post via social media and discuss with community leaders.
- Promote the event and will volunteer at next year's event. I will also encourage investment to stimulate the megaregion's economy.
- Use the knowledge gained to seek opportunities to build a megaregion Sonorazona.
- Encourage chambers to share the video with their members.
- Use the examples that I heard to promote the concept of the megaregion and raise awareness of the mutual benefits of shared economic development and cultural exchange.

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